

Amendment No. 21 to HB0534

Smith
Signature of Sponsor

AMEND Senate Bill No. 1221

House Bill No. 534*

by inserting the following new section immediately preceding the effective date section:

SECTION ____ Tennessee Code Annotated, Section 67-3-206(a), is amended by deleting the following sentence:

If the federal government elects to increase any or all taxes imposed by title 26 of the United States Code and allocated by chapter 98 of that title to the federal highway trust fund after it has reduced or eliminated such taxes, the state tax on the sale and/or use of such products is reduced equal to the amount of the increase by the federal government.

and by substituting instead the following:

If the federal government elects to increase any or all taxes imposed by title 26 of the United States Code and allocated by chapter 98 of that title to the federal highway trust fund, the state tax on the sale and/or use of such products is reduced equal to the amount of the increase by the federal government minus the amount of the increase required to match federal-aid funding.